

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 56th LEGISLATURE - REGULAR SESSION

JOINT APPROPRIATIONS SUBCOMMITTEE ON LONG-RANGE PLANNING

Call to Order: By **CHAIRMAN ERNEST BERGSAGEL**, on January 18, 1999
at 8:00 A.M., in Room 317 Capitol.

ROLL CALL

Members Present:

Rep. Ernest Bergsagel, Chairman (R)
Sen. J.D. Lynch (D)
Rep. Matt McCann (D)
Sen. Chuck Swysgood (R)
Rep. Tom Zook (R)

Members Excused: None.

Members Absent: Sen. Tom A. Beck, Vice Chairman (R)

Staff Present: Cassandra Drynan, Committee Secretary
Jane Hamman, OBPP
Pam Joehler, Legislative Branch

Please Note: These are summary minutes. Testimony and
discussion are paraphrased and condensed.

Committee Business Summary:

Hearing(s) & Date(s) Posted: **HOUSE BILL 6 & HB 8 -
RENEWABLE RESOURCE GRANT AND
LOAN APPLICATIONS, 1/18/1999**

Executive Action: None.

HEARING ON HB 6 & 8 - RENEWABLE RESOURCE GRANT AND LOAN APPLICATIONS (RRGL)

SEN. TOM KEATING gave a general overview of the high interest
rates and taxes paid by the extraction industries: oil, natural
gas, and mining **EXHIBIT(jlh13a01)**. He then explained the intent

of the Resource Indemnity Trust (RIT), and went over each of his four bills on the subject.

{Tape : 1; Side : A; Approx. Time Counter : 0.4 - 15.8}

SEN. SWYSGOOD asked if the industry used the ground water assessment data when installing the express pipeline.

{Tape : 1; Side : A; Approx. Time Counter : 15.8 - 17.4}

Mr. John Tubbs, Department of Natural Resources and Conservation (DNRC), explained that if **SB 49** passed the grant funding for this program would be increased from \$2 million to \$4 million and the funding line would move from project 23 to project 41.

{Tape : 1; Side : A; Approx. Time Counter : 17.4 - 21.7}

REP. BERGSAGEL asked if the Department of Environmental Quality (DEQ) had been appropriated money and what types of projects had been completed with this money.

{Tape : 1; Side : A; Approx. Time Counter : 21.8 - 23.6}

REP. MCCANN asked how many municipal projects could be funded with \$500,000.

{Tape : 1; Side : A; Approx. Time Counter : 23.6 - 24.3}

REP. ZOOK asked where the \$2 million was coming from. Discussion followed.

{Tape : 1; Side : A; Approx. Time Counter : 24.3 - 31.2}

Mr. Tubbs mentioned past projects and went over the five parts of the grant and loan program.

{Tape : 1; Side : A; Approx. Time Counter : 31.3 - 1:B:3.2}

REP. BERGSAGEL mentioned that he had difficulty in making private loans for irrigation systems. Discussion followed.

{Tape : 1; Side : B; Approx. Time Counter : 3.3 - 5.0}

Mr. Tubbs went over private grants, emergency grants and the purpose of the program. He then spoke about the coordination between the RRGL and Treasure State Endowment Programs (TSEP). Discussion followed.

{Tape : 1; Side : B; Approx. Time Counter : 5 - 16.0}

Question: It was asked what qualified someone to be a consultant for the program.

{Tape : 1; Side : B; Approx. Time Counter : 16 - 18}

Mr. Tubbs discussed the West Crane project. **CHAIRMAN BERGSAGEL** noted his feelings on the rank of the West Crane project. Discussion followed.

{Tape : 1; Side : B; Approx. Time Counter : 19.7 - 24.2}

RRGL PROJECT NO. 12 - BUFFALO RAPIDS IRRIGATION DISTRICT

Mr. Michael Downy, DNRC, reviewed the irrigation project and the department's recommendations. Questions were asked.

{Tape : 1; Side : B; Approx. Time Counter : 24.3 - 28.0}

Mr. Dave Swarts, Manager of the Buffalo Rapids project, gave a short presentation **EXHIBIT(jlh13a02)**. Questions were asked.

{Tape : 1; Side : B; Approx. Time Counter : 28.6 - 2:A:7.4}

Mr. Mike Murphy, representing the Montana Water Resources Association, spoke in support of the project.

{Tape : 2; Side : A; Approx. Time Counter : 7.6 - 8.1}

RRGL PROJECT NO. 31 - TOWN OF SHERIDAN

Mr. Bob Fischer, DNRC, reviewed the well water project and the department's recommendations. Questions were asked.

{Tape : 2; Side : A; Approx. Time Counter : 8.2 - 10.6}

Mr. Kelly Elser, Mayor of Sheridan, gave a short presentation.

{Tape : 2; Side : A; Approx. Time Counter : 10.6 - 14.3}

REP. KARL OHS spoke on behalf of the project.

{Tape : 2; Side : A; Approx. Time Counter : 14.5 - 15.7}

CHAIRMAN BERSAGEL asked about well depth, **REP ZOOK** asked about water qualities and **REP MCCANN** asked about a TSEP grant.

Mr. Dan McCauley, engineer for Sheridan, answered questions.

{Tape : 2; Side : A; Approx. Time Counter : 15.8 - 18.5}

Ms. Lucy Gallus, representing MT Rural Water Systems Inc., spoke in support of the project, all other water and sewer projects, the RRGL program and **HB 6 & HB 8**.

{Tape : 2; Side : A; Approx. Time Counter : 18.5 - 19.6}

RRGL PROJECT NO. 14 - SANDERS COUNTY

Mr. Downy reviewed the flood plain project and the department's recommendations. Questions were asked.

{Tape : 2; Side : A; Approx. Time Counter : 20.1 - 24.8}

Mr. Marc Carstens, Private Citizen and Surveyor, gave a short presentation and emphasized the importance of good mapping of the area. Questions were asked.

{Tape : 2; Side : A; Approx. Time Counter : 24.9 - 2:B:0.7}

Mr. Francis Patrick Bawden, County Planner, gave a short presentation.

{Tape : 2; Side : B; Approx. Time Counter : 0.8 - 4.4}

CHAIRMAN BERGSAGEL asked **Ms. Jane Hamman**, OBPP, about the State's participation in the Global Information System(GIS), and a possible source for flood plain information at the state library.

{Tape : 2; Side : B; Approx. Time Counter : 4.5 - 5.6}

CHAIRMAN BERGSAGEL asked what the \$3,000 from the DNRC in the Sander's County project was to be used for.

{Tape : 2; Side : B; Approx. Time Counter : 6 - 7}

RRGL PROJECT. NO. 3 - CASCADE COUNTY CONSERVATION DISTRICT

Mr. Downy reviewed the erosion control project and the department's recommendations. Questions were asked.

{Tape : 2; Side : B; Approx. Time Counter : 7 - 10.8}

Ms. Fay Lesmeister, Vice Chair of the Cascade County Conservation Board of Supervisors, gave a short presentation.

{Tape : 2; Side : B; Approx. Time Counter : 10.8 - 14.1}

Mr. Alan Rollo, Coordinator for the Sun River/Muddy Creek project, explained the intentions of the project .

REP. MCCANN asked how much work remains to be done to get Muddy Creek under control.

CHAIRMAN BERGSAGEL asked how the funds would be spent.

{Tape : 2; Side : B; Approx. Time Counter : 14.2 - 21.7}

Mr. Dick Eisenzimmer, from the Fort Shaw Irrigation District, spoke in support of the project.

{Tape : 2; Side : B; Approx. Time Counter : 21.7 - 22.1}

REP. JOHN ROSE spoke on behalf of the Cascade County Conservation District erosion control project.

{Tape : 3; Side : A; Approx. Time Counter : 23.1 - 25}

RRGL PROJECT NO. 9 - FORT SHAW IRRIGATION DISTRICT

Mr. Downy reviewed the water quality improvement project and the department's recommendations.

{Tape : 2; Side : B; Approx. Time Counter : 22.3 - 25}

Mr. Dick Eisenzimmer, Chairman of the Fort Shaw Irrigation Board, gave a short presentation.

{Tape : 2; Side : B; Approx. Time Counter : 25 - 26}

Mr. Lawrence Vincent, Manager of the Fort Shaw Irrigation District, gave a short presentation and explained the history of the canal system.

{Tape : 2; Side : B; Approx. Time Counter : 26 -3:A:0.5}

REP. MCCANN asked how often people are charged excess fees.

CHAIRMAN BERGSAGEL asked about a previous Sun River project. **Mr. Rollo and Mr. Fischer** answered questions.

{Tape : 3; Side : A; Approx. Time Counter : 0.5 - 4}

Mr. Mike Murphy, representing the MT Water Resources Association, spoke on behalf of the project.

Mr. Fay Lesmeister spoke on behalf of the project.

Mr. Alan Rollo spoke on behalf of the project.

{Tape : 3; Side : A; Approx. Time Counter : 4 - 5.5}

REP. JOHN ROSE spoke on behalf of the project.

{Tape : 3; Side : A; Approx. Time Counter : 23.1 - 25}

RRGL PROJECT NO. 8 - DEADMAN'S BASIN WATER QUALITY PROJECT

Mr. Fischer reviewed the water quality project and the department's recommendations. Questions were asked.

{Tape : 3; Side : A; Approx. Time Counter : 5.6 - 8}

Mr. Glen McDonald, DNRC, spoke in support of the project. He gave an overview of the project and the history of the basin.

{Tape : 3; Side : A; Approx. Time Counter : 8 - 12.6}

REP. MCCANN asked about engineering costs and the demands of the producers along Careless Creek.

{Tape : 3; Side : A; Approx. Time Counter : 12.6 - 14.4}

Mr. Bob Goffena, Chairman of the Deadman's Basin Water User's Association, gave a short presentation.

{Tape : 3; Side : A; Approx. Time Counter : 14.6 - 16.4}

Ms. Teri Hice, Project Manager, gave an overview of the financial situation. Questions were asked.

{Tape : 3; Side : A; Approx. Time Counter : 16.4 - 23.1}

RRGL PROJECT NO. 16 - PARK COUNTY

Mr. Downy reviewed the reconnaissance project and the department's recommendations.

{Tape : 3; Side : A; Approx. Time Counter : 25.4 - 26.7}

Ms. Eloise Kendy, with the United States Geological Survey (USGS), gave a short presentation and an overview of the projects intentions.

{Tape : 3; Side : A; Approx. Time Counter : 26.8 - 32}

REP. MCCANN asked how long the project was expected to last.

{Tape : 3; Side : B; Approx. Time Counter : 0.3 - 1.3}

CHAIRMAN BERGSAGEL asked where the \$49,850 for professional services was going. **Mr. Ron Gardner** and **Mr. Tubbs** answered questions. Discussion followed.

{Tape : 3; Side : B; Approx. Time Counter : 1.4 - 8.8}

REP. ZOOK asked how many residents were involved in developing the land use plan.

{Tape : 3; Side : B; Approx. Time Counter : 8.9 - 10}

CHAIRMAN BERGSAGEL asked about the \$9,000 that was to be used for travel costs.

{Tape : 3; Side : B; Approx. Time Counter : 10 - 11.0}

Mr. Ron Gardner, Member of the Park County Planning Board, spoke on behalf of the project.

{Tape : 3; Side : B; Approx. Time Counter : 11.5 - 13.1}

Mr. Marty Malone, Park County Extension Agent, spoke on behalf of the project.

{Tape : 3; Side : B; Approx. Time Counter : 13.2 - 15.8}

RRGL PROJECT NO. 59 - TOWN OF LIVINGSTON

Mr. Downy reviewed the ditch improvement project and the department's recommendations. Discussion followed.

{Tape : 3; Side : B; Approx. Time Counter : 16.8 - 20.2}

HEARING ON HB 6 & 8 - RENEWABLE RESOURCE GRANT AND LOAN
APPLICATIONS (RRGL) CLOSED

ADJOURNMENT

Adjournment: 12:00 P.M.

REP. ERNEST BERGSAGEL, Chairman

CASSANDRA DRYNAN, Secretary

EB/CD

EXHIBIT (j1h13aad)